



# FY 2017 – 2018 BUDGET

## PRELIMINARY TRIM 7.11.17



## 5 Fundamentals

1. NEIGHBORHOOD RENAISSANCE
2. ECONOMIC DEVELOPMENT
3. PROTECTING OUR INVESTMENT
4. RESPONSIVE GOVERNMENT
5. RESPECTING THE ENVIRONMENT

## 3 Goals

1. QUALITY OF LIFE
2. SUSTAINABLE PROGRAMS
3. MARKETING /BRANDING

- PUBLIC SAFETY
- SCHOOL GRANTS
- FINANCIAL PLANNING & STABILITY
- FACILITY & ROADWAY MAINTENANCE
- PARKS & RECREATION ENHANCEMENTS
- UTILITIES SYSTEM RENEWAL & REPLACEMENT
- STAFF RETENTION & DEVELOPMENT
- COMMUNITY MARKETING

## AD VALOREM MILLAGE

- Preliminary Rate 2.43 Mills (5.81% higher than Rollback rate)
- Prior Year Rate 2.44 Mills (6.24% higher than Rollback rate)

## NON-AD VALOREM ACME IMPROVEMENT DISTRICT ASSESSMENT (NO CHANGE)

- \$230 per Unit

## NON-AD VALOREM SOLID WASTE ASSESSMENTS (NO CHANGE)

- Curbside per unit \$135
- Container per unit \$100

## WATER & WASTEWATER USER RATES (2.5% INDEX – TYPICAL BILL INCREASES \$1.48/MONTH)

- |                                     | <u>PREVIOUS</u>  | <u>2.5% INDEX</u> |
|-------------------------------------|------------------|-------------------|
| • Water Base Rate                   | \$18.22          | \$18.68           |
| • Water per 1,000-gallon usage      | \$2.06 to \$6.76 | \$2.11 to \$6.93  |
| • Wastewater Base Rate              | \$17.38          | \$17.81           |
| • Wastewater per 1,000-gallon usage | \$1.92           | \$1.97            |

## SADDLE TRAIL PARK SOUTH IMPROVEMENT DISTRICT (SECOND YEAR)

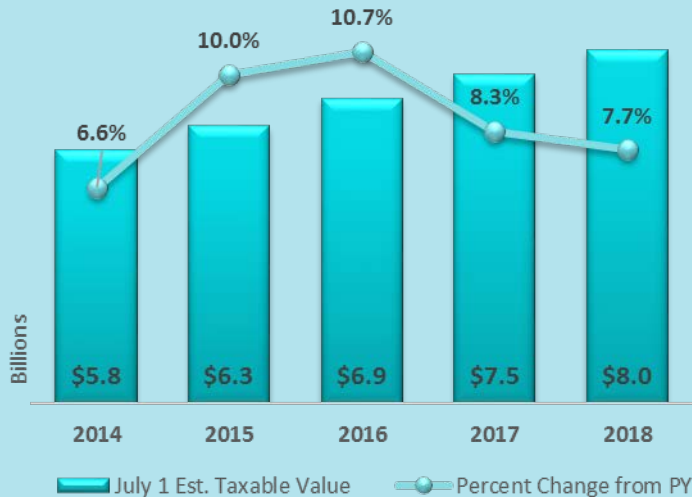
- Assessments are based on property size and total debt service amount; the per-acre assessment rate is \$1,720.54
- Properties are assessed annually over 15 years

# PRELIMINARY FY 2017-2018 TOTAL BUDGET

	ADOPTED FY 2017 BUDGET	PROPOSED FY 2018 BUDGET	\$ CHANGE	% CHANGE
<b><u>OPERATING BUDGET</u></b>				
General Fund	\$ 40,221,103	\$ 43,229,051	\$ 3,007,948	7.5%
ACME Improvement District	4,701,888	4,628,245	(73,643)	-1.6%
Special Revenue Funds	5,768,499	6,065,627	297,128	5.2%
Debt Service	1,225,960	1,401,293	175,333	14.3%
<b>TOTAL GOVERNMENTAL OPERATING BUDGET</b>	<b>\$ 51,917,450</b>	<b>\$ 55,324,216</b>	<b>\$ 3,406,766</b>	<b>6.6%</b>
Water & Wastewater	12,415,136	13,464,774	1,049,638	8.5%
Solid Waste	3,615,262	3,723,628	108,366	3.0%
Professional Centre	692,308	498,291	(194,017)	-28.0%
Debt Service	30,000	30,000	0	0.0%
<b>TOTAL ENTERPRISE OPERATING BUDGET</b>	<b>\$ 16,752,706</b>	<b>\$ 17,716,693</b>	<b>\$ 963,987</b>	<b>5.8%</b>
<b><u>CAPITAL PROJECTS</u></b>				
Governmental CIP	5,485,000	8,247,827	\$ 2,762,827	50.4%
Utility CIP	4,665,000	18,343,500	\$ 13,678,500	293.2%
<b>TOTAL CAPITAL PROJECTS BUDGET</b>	<b>\$ 10,150,000</b>	<b>\$ 26,591,327</b>	<b>\$ 16,441,327</b>	<b>162.0%</b>
<b>SUBTOTAL BEFORE TRANSFERS</b>	<b>\$ 78,820,156</b>	<b>\$ 99,632,236</b>	<b>\$ 20,812,080</b>	<b>26.4%</b>
<b><u>INTERFUND TRANSFERS</u></b>				
Transfers for Indirect Cost Allocations	3,512,231	3,419,744	\$ (92,487)	-2.6%
Transfers for Road Maintenance	2,125,377	2,225,526	\$ 100,149	4.7%
Transfers for Debt Service	1,133,756	1,133,756	\$ -	0.0%
Transfers for Capital	3,950,000	3,943,000	\$ (7,000)	-0.2%
<b>TOTAL TRANSFERS OUT</b>	<b>\$ 10,721,363</b>	<b>\$ 10,722,026</b>	<b>\$ 663</b>	<b>0.0%</b>
<b>TOTAL BUDGET</b>	<b>\$ 89,541,519</b>	<b>\$110,354,262</b>	<b>\$ 20,812,743</b>	<b>23.2%</b>

## TAXABLE VALUE

\$8.0B



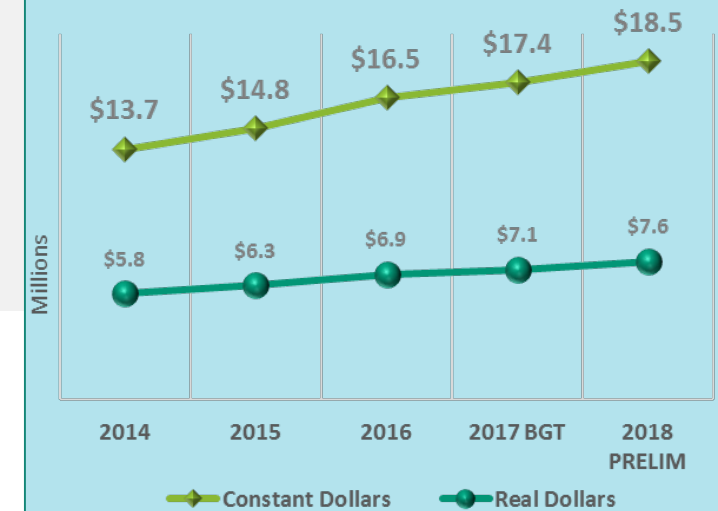
## MILLAGE RATE

2.43

FISCAL YEAR	ROLLBACK	PRELIM TRIM (1)	ADOPTED RATE
2014	2.35	2.50	2.47
2015	2.30	2.50	2.45
2016	2.24	2.45	2.45
2017	2.28	2.44	2.44
2018	2.29	2.43	

## TAX REVENUE

\$18.5M



(1) Initial rate based on preliminary budget, not yet adopted



\$8,034,645,196  
Taxable Value

22,600  
Parcels

60%  
Residential Parcels with  
Homestead Exemptions

\$1.18 Billion  
New  
Construction  
Taxable Value  
Added since  
2008

\$307,500  
Average Taxable Value  
*Based on 2.5% CPI Increase on a Homesteaded  
Residence Valued at \$300,000 in 2016*



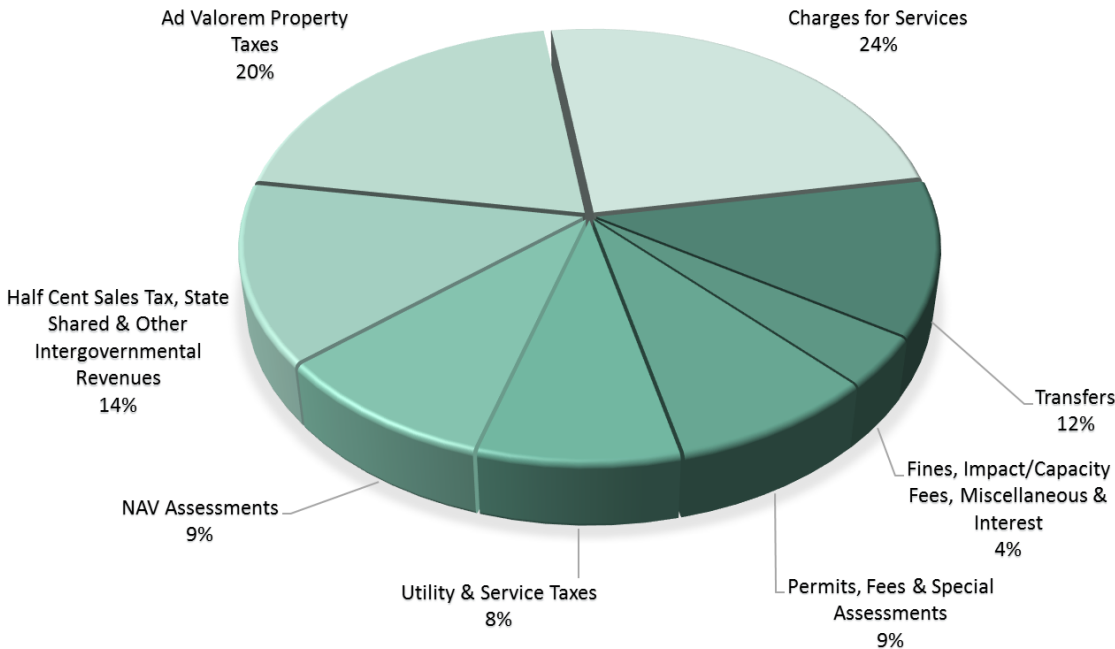
7.7%  
Taxable Value  
Increase from  
2016 to 2017



1.5%  
Vacant Parcels

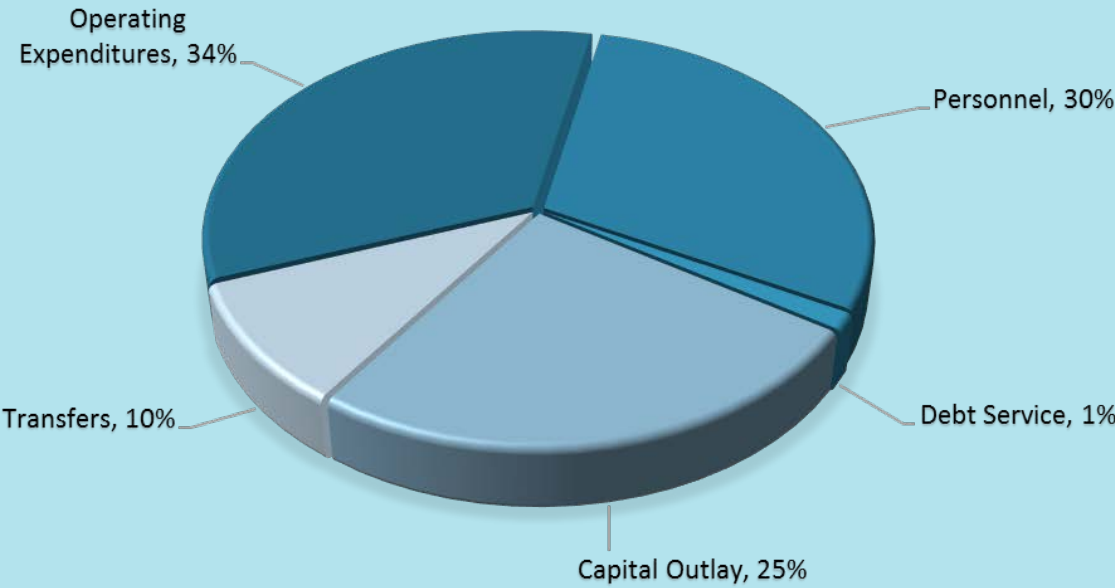
# REVENUES

*All Funds*  
\$91.6 million



# EXPENDITURES

*All Funds*  
\$110.4 million



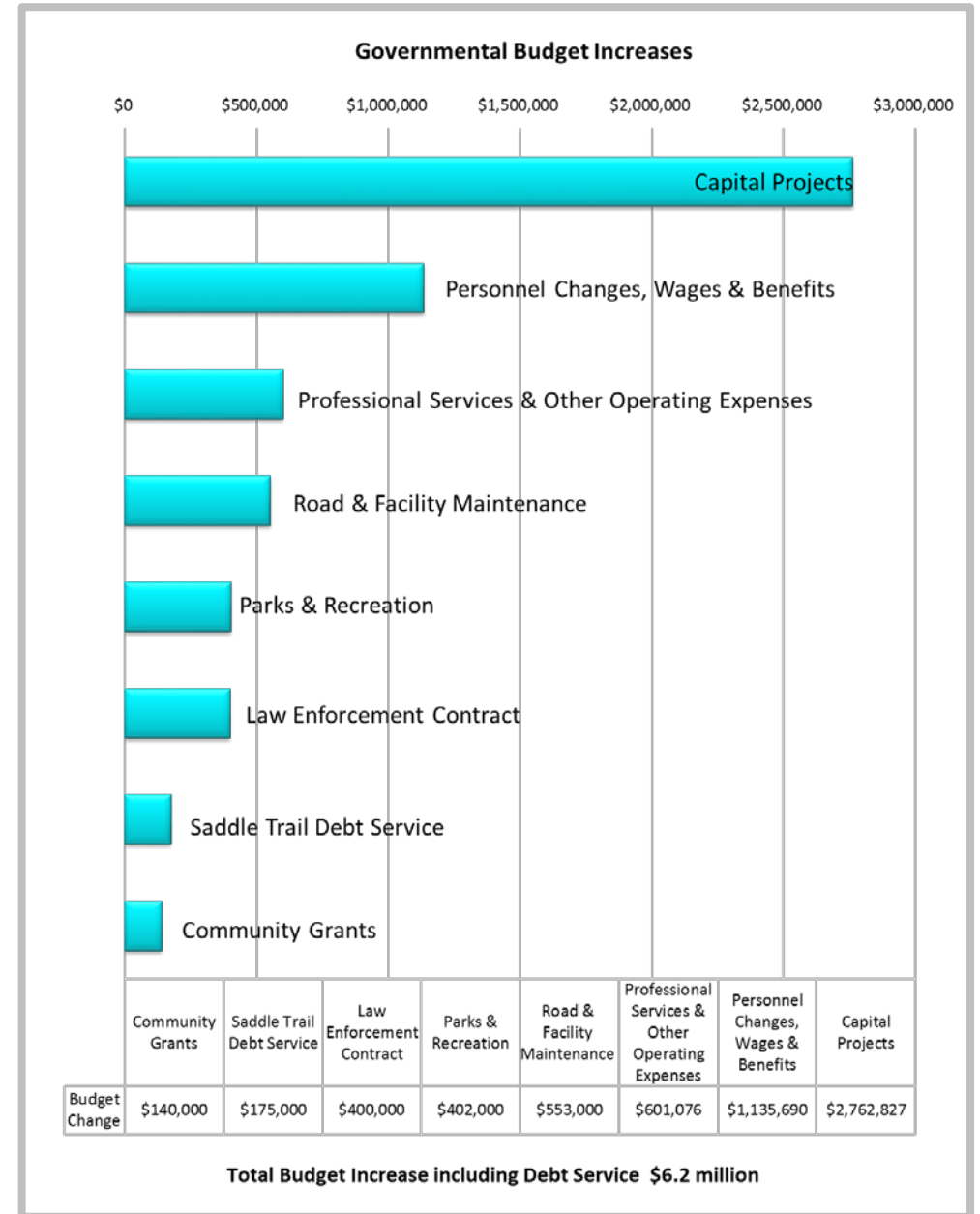
*Excludes Budgeted Use of Reserves:*  
*Rate Stabilization Reserve, (\$1,247,328)*  
*General Fund Balance: (\$1,806,185)*

*Acme Fund, (\$635,924)*  
*Capital Reserves: (\$941,665)*

*Utility Capital & Capacity Reserves, (\$13,550,331)*  
*Solid Waste Reserve, (\$743,892)*

## Governmental Budget Increases:

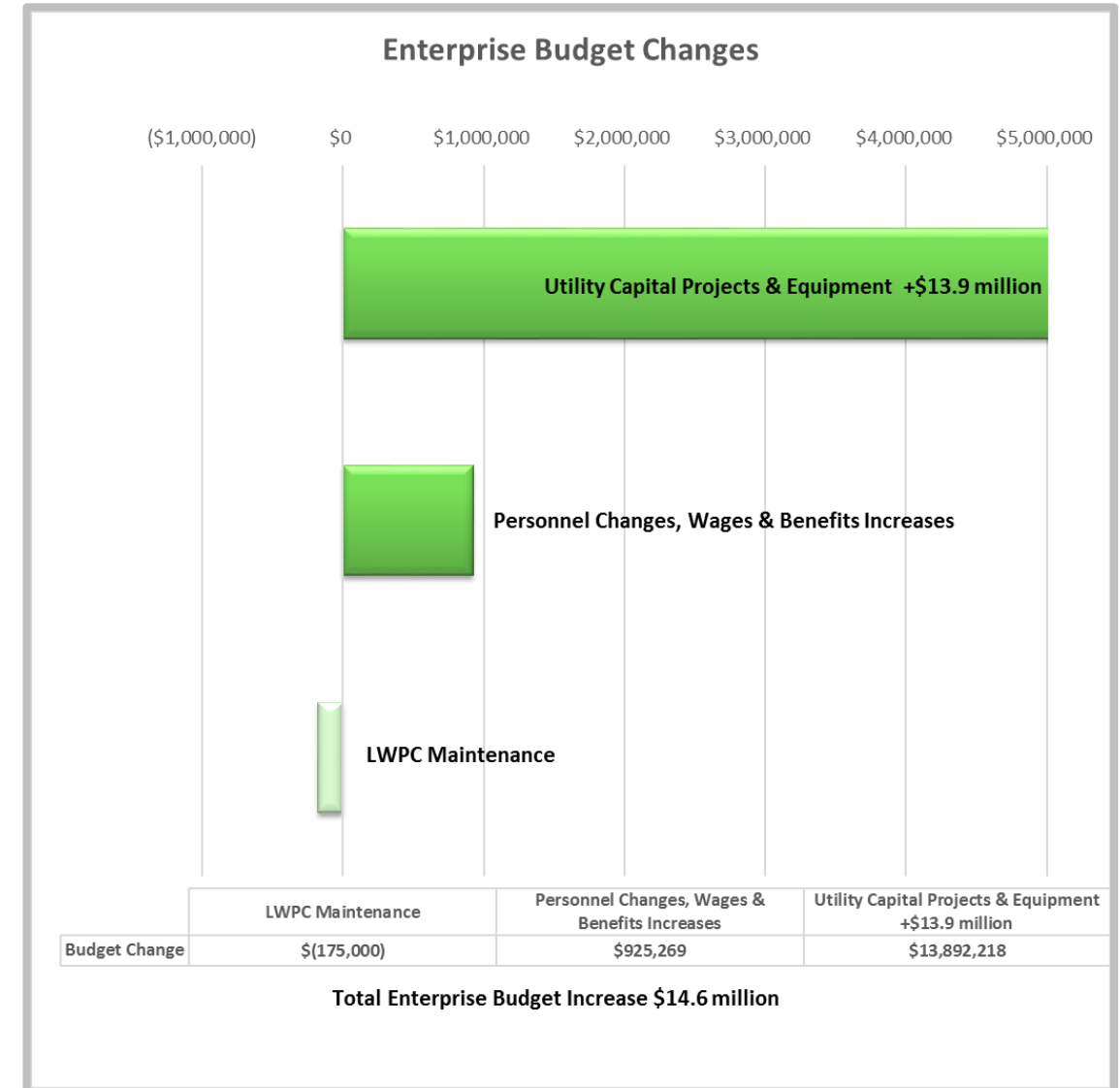
+ Sales Surtax Capital Projects	\$3,500,000
+ Wages & Benefits	\$1,100,000
+ Operating Costs	\$601,000
+ Road & Facility Maintenance	\$553,000
+ Recreation Programs	\$402,000
+ Law Enforcement Contract	\$400,000
+ Saddle Trail Debt Service	\$175,000
+ Great Neighborhoods Grants	\$140,000





## Enterprise Budget Changes:

- +** Utility R & R Capital Projects & Equipment \$13,900,000  
(\$45 million in projects underway in FY 2017 and FY 2018)
- +** Personnel transfers in, wages & benefits \$925,000
- LWPC Roof Replacement (\$175,000)



## GOVERNMENTAL

### Ongoing Programs: \$3,765,000

- Neighborhood Parks & Trails
- Regional Parks Improvements
- Neighborhood Entrance Signs
- Safe Neighborhoods
- Streetscape & Village Entryways
- Multiuse Path & Bike Lane Additions
- 2014 Acme R & R
- Surface Water System Improvements

### One-Time Projects: \$976,827

- Tennis Center Parking
- Technology Investment (ERP)
- South Shore/Pierson Intersection

### Sales Surtax Projects \$3,506,000

- Community Park Renovation
- Village Park Upgrades

**TOTAL PROJECTS \$8,247,827**

*Excludes New & Replacement Assets*

## UTILITIES

- Technology Investment \$3,110,000
- Force Main Improvements \$2,810,000
- General Facilities & Buildings \$1,805,000
- Gravity Wastewater Collection \$200,000
- Peaceful Waters Wetland \$400,000
- Water Reclamation Facility R & R \$6,663,500
- Water Supply Improvements \$450,000
- Water Treatment \$2,905,000

**TOTAL PROJECTS \$18,343,500**

- School Grants
- Village Entryways – Design and Features
- Sales Surtax Funding
  - Community Park Renovations
  - Public Works Complex Expansion & Improvements
  - Lake Wellington & MidTown Waterfront

# MILLAGE IMPACT

	\$8.03 Billion		HOMESTEAD	NON-HOMESTEAD
	Millage	Tax Revenue	Change from 16/17 Wellington Ad Valorem Tax Bill <sup>(4)</sup>	Change from 16/17 Wellington Ad Valorem Tax Bill 7.7% Value Increase
Rollback <sup>(1)</sup>	2.297	\$17.53 million	(\$26)	\$10
Majority Maximum <sup>(2)</sup>	2.957	\$22.57 million	\$177	\$223
2/3 Vote Max <sup>(3)</sup>	3.253	\$24.83 million	\$268	\$319
<b>Proposed Rate</b>	<b>2.430</b>	<b>\$18.55 million</b>	<b>\$15</b>	<b>\$53</b>
Prior Year Rate	2.440	\$18.62 million	\$18	\$56
Each 1/10 Mill	0.100	\$0.76 million	\$31	\$32

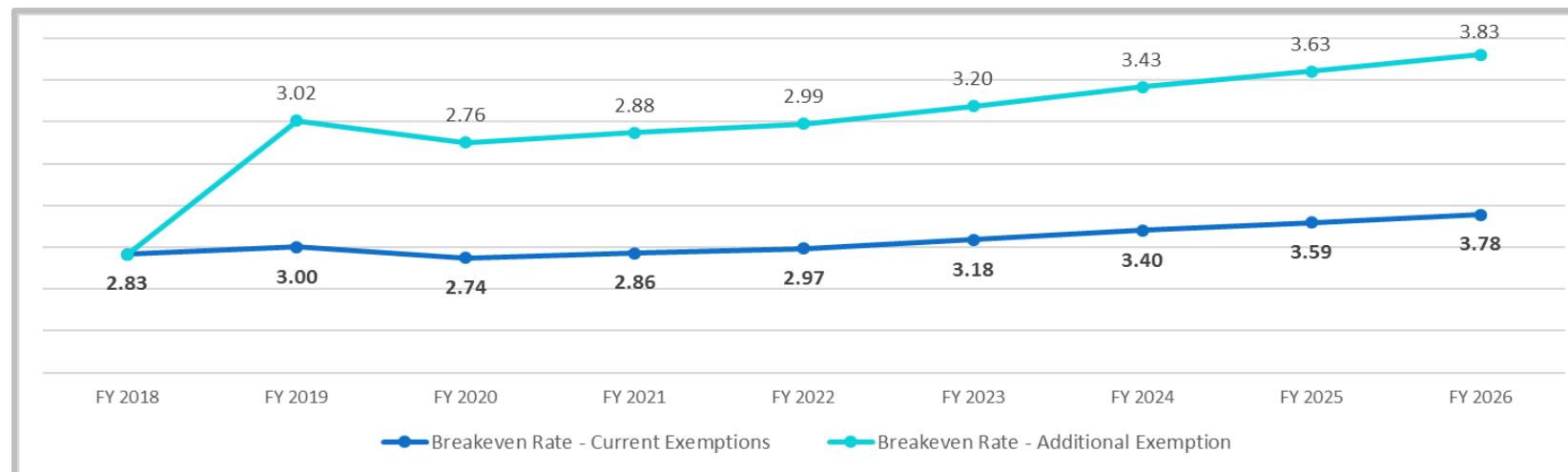
(1) Rollback rate provides the same ad valorem revenues as the prior year plus the revenues provided by new construction value. New construction will add approximately \$250,000 in ad valorem revenues

(2) Majority Maximum rate is the prior year majority max rate plus 1.311% income growth factor

(3) 2/3 Vote Maximum rate is 110% of the Majority Maximum rate

(4) Uses \$300,000 taxable value for prior year and \$307,500 in new year (estimated 2.5% area CPI increase limit per PA)

## Future Rate Comparison - Proposed Additional Homestead Exemption



Breakeven Rate is the millage rate that balances the budget with no use of reserves

- Assumes 3% annual increase in base taxable value reduced by the "third" exemption value of \$331 m

# OPERATING FUND BALANCES

## Projected Fund Balances FY 2017 & 2018 - Governmental Operating

	AUDITED 9/30/2016	BUDGETED FY 2017 INC/(DEC) TO FUND BALANCE	RESTRICTED/ COMMITTED	FY 2017 AMENDMENTS & ASSIGNMENTS	PROJECTED UNASSIGNED 9/30/2017	BUDGETED FY 2018 INC/(DEC) TO FUND BALANCE	FY 2018 AMENDMENTS & ASSIGNMENTS	PROJECTED UNASSIGNED 9/30/2018	% OF FY 2018 BUDGETED EXPENDITURES <sup>2</sup>
GENERAL FUND	\$30,811,878		(\$10,573,266) <sup>(1)</sup>	(\$1,180,000)	\$19,058,612	(\$1,806,185)	(\$300,000)	\$16,952,427	35%
ACME IMPROVEMENT	\$3,343,062	(774,560)	(241,615)		\$2,326,887	(635,924)		\$1,690,963	All Restricted
BUILDING	\$5,626,067	(628,492)	(227,838)		\$4,769,737	30,264		\$4,800,001	All Restricted
GAS TAX MAINTENANCE	\$978,932		(9,661)		\$969,271	-		\$969,271	All Restricted
<b>TOTALS</b>	<b>\$40,759,939</b>	<b>(\$1,403,052)</b>	<b>(\$11,052,380)</b>	<b>(\$1,180,000)</b>	<b>\$27,124,507</b>	<b>(\$2,411,845)</b>	<b>(\$300,000)</b>	<b>\$24,412,662</b>	

<sup>1</sup> Includes budgeted use of Rate Stabilization of \$1.6 million for current year expenses

<sup>2</sup> Calculated as a percentage of subsequent year fund expenditures

Notes: a) FY 2017 Amendments includes projected amendment for anticipated Insurance Reserve Increase (\$80,000) and restrictions includes addition to Infrastructure Reserve of \$1.1 million

b) FY 2018 Amendments include projected Insurance Reserve requirement

- Each 1% of fund balance equals \$478,000
- Restrictions include Rate Stabilization, Emergency, Insurance and Facility & Infrastructure Reserve

## WELLINGTON & ACME RATES

	FISCAL YEAR								
	2010	2011	2012	2013	2014	2015	2016	2017	2018P
TAXABLE VALUE (BILLIONS)	\$6.1	\$5.4	\$5.4	\$5.4	\$5.7	\$6.3	\$6.9	\$7.5	\$8.0
NEW CONSTRUCTION ADDED (MILLIONS)	\$0.11	\$0.04	\$0.05	\$0.06	\$0.09	\$0.15	\$0.09	\$0.08	\$0.11
CUMULATIVE NEW CONSTRUCTION ADDED (BILLIONS) 2008 - PRESENT	\$0.52	\$0.56	\$0.61	\$0.67	\$0.76	\$0.90	\$1.00	\$1.08	\$1.19
MILLAGE RATE	2.50	2.50	2.50	2.47	2.47	2.45	2.45	2.44	2.43
ACME ASSESSMENT RATE	\$175	\$200	\$200	\$200	\$200	\$230	\$230	\$230	\$230
WATER UTILITY USAGE RATE	\$1.73	\$1.86	\$2.00	\$2.00	\$2.06	\$2.06	\$2.06	\$2.06	\$2.11
SOLID WASTE ASSESSMENT RATE - CURB	\$160	\$160	\$160	\$160	\$160	\$160	\$140	\$135	\$135
TOTAL BUDGET (MILLIONS)	<b>\$82.9</b>	<b>\$75.7</b>	<b>\$73.9</b>	<b>\$74.5</b>	<b>\$74.5</b>	<b>\$76.9</b>	<b>\$85.4</b>	<b>\$89.5</b>	<b>\$110.4</b>
ADOPTED FULL-TIME EMPLOYEES	265.2	266.2	263.0	267.0	292.0	297.0	302.0	314.0	313.0
POPULATION	56,508	56,752	57,514	58,108	59,136	59,860	60,308	60,911	61,520

- Rates shown are preliminary and not yet adopted



# BUDGET CALENDAR



## FY 2017 -2018 Budget

Task	Date 2017
Develop budget process and identify issues - Current Year Budget Review Meetings by department	Jan 25 - Feb 6
Budget Kickoff with department heads	Mar 1
Department business plans, budget requests and Naviline entry due	Apr 5
Departmental Budget & CIP Review meetings	Apr 17 - 21
Preliminary Taxable Value	Jun 1
Certified Taxable Value	Jul 1
Budget Workshop - TRIM	Jul 10
<b>Council Meeting - Preliminary TRIM approval</b>	<b>Jul 11</b>
Budget Challenge survey online	July 1 - Aug 15
State Revenue Estimates	Jul 15
Maximum TRIM rates due to Palm Beach County	Jul 20 - 29
Budget Workshop - Acme & Enterprise Budgets	Aug 7
<b>Water &amp; Wastewater, Solid Waste &amp; LWPC - Enterprise Budget Adoption</b>	<b>Aug 8</b>
<b>Acme &amp; Saddle Trail Non Ad Valorem Budget Adoption</b>	<b>Aug 8</b>
<b>First Public Hearing on Proposed Budget &amp; CIE Ordinance</b>	<b>Sep 12</b>
<ul style="list-style-type: none"> <li>· Announce percentage by which computed millage exceeds roll back rate</li> <li>· Adopt tentative budget</li> <li>· Amendments (if any)</li> <li>· Re-compute proposed millage (if amended)</li> </ul>	
Advertise hearing notice and proposed operating budget within 15 days	Sep 22
<b>Second Public Hearing and Final Adoption of Ad Valorem Budget &amp; CIE Ordinance</b>	<b>Sep 26</b>
Certification of "TRIM" compliance signed by Village Manager and submitted to Tax Collector	Sep 29

*Note: That the above timetable meets the requirements of the State of Florida, Palm Beach County and existing bond covenants*